

News From: -

# U.S. Senator Russ Feingold

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FOR IMMEDIATE RELEASE January 14, 2003

Contact:

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#### FEINGOLD AND COLLINS CALL FOR DOUBLING PELL GRANT FUNDING BY 2010

Students, Parents, and Universities Endorse Proposal

Washington, D.C. – U.S. Senators Russ Feingold (D-WI) and Susan Collins (R-ME) called today for a doubling in Pell Grant funding by 2010. Feingold also announced plans to lead a campaign to fund Pell during the upcoming re-authorization of the Higher Education Act. Feingold's effort has been endorsed by the Student Aid Alliance, a coalition of organizations representing students, parents, colleges and universities, and others who believe that all qualified students should be able to go to college regardless of their financial resources.

"Pell Grants are the cornerstone of many students' financial aid packages here in Wisconsin and around the country," Feingold said. "Without Pell Grants, many individuals simply can't consider college - and without a college degree or serious post-secondary training, some employers won't consider hiring these individuals."

The average Pell Grant is now worth about 70 percent of its value in 1975. In addition, 20 years ago, grant aid constituted approximately 52 percent of a student's aid package while loans constituted only 42 percent. Today, this ratio has reversed itself - loans now constitute almost 60 percent of total aid, and the proportion of aid provided in the form of grants has plummeted to about 40 percent.

"We have made progress during the last four years in restoring some of the purchasing power of the Pell Grant program, but the job's not done," Feingold said. "Funding for education is one of the most important investments that we can make. A better-educated workforce will lead to a more skilled workforce, higher productivity, and a better economy."

Since Senator Feingold returned to the Senate in 1998 and made increasing the Pell Grant one of his top priorities, the individual maximum grant has increased by 25 percent. Each year the Senate Budget Committee has approved his bipartisan proposals to increase the individual maximum grant. In 2000, Senator Feingold led a bipartisan coalition to raise the individual maximum Pell Grant to \$3,750, the largest increase in history.

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January 14, 2003

RE: Support for Passage of the Feingold-Collins resolution to double the Pell Grant Maximum

Dear Senator:

OLIVE DISTANCE

The Student Aid Alliance, a coalition of over 60 higher education associations representing students, college presidents, parents, and others, fully supports the passage of the Feingold-Collins resolution to double the Pell Grant maximum award by 2010. We urge the Senate to commit itself fully to achieving this worthy

The Pell Grant program is one of the most uniquely successful programs that the federal government has ever initiated. It has financed the dreams of millions of college students who are now contributing members of society - doctors, teachers, mayors, and members of Congress. It is rooted in the abiding American value that one's aspirations - not one's income - should determine the shape of one's future. It has made American education distinctive, by seeking to educate all our citizens, not merely an elite. As a result, it has helped contribute to a stronger democracy and the most productive economy the world has known.

But the Pell Grant program needs to be reinvigorated. Written as an entitlement, but subject to annual appropriations, Pell Grants are awarded to every student who meets the eligibility criteria. The program expands and the cost increases when the college-age population grows, as is happening currently. It will grow even more as the No Child Left Behind legislation increases the pool of well-prepared, college-cligible students. It grows when the economy is weak and dislocated workers turn to college to master new skills or acquire the knowledge that will enable them to change careers. It grows when family savings are hit hard by economic losses. When these factors combine, the Pell Grant maximum can stagnate, even as program costs rise to absorb the newly eligible recipients, and the value of the award is diminished. If the maximum award is held constant, students cannot even manage to keep up with the cost of their books.

The Feingold-Collins resolution could not be better timed or more welcomed, since the Pell Grant program appears to be headed for just such a period of stagnation. Even more importantly, making a commitment now to double the Pell Grant maximum award will send a positive message to students who are being challenged to meet higher standards in high school, and have begun to wonder if college could be a part of their futures. We urge you to support this important measure.

Sincerely,

Co-Chair

**Student Ald Alliance** 

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David Warren Co-Chair



Invest in futures. Theirs and ours.

News from...



# U.S. Senator Blanche Lincoln of Arkansas

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Phone (202) 224-4843 Fax (202) 228-1371

FOR IMMEDIATE RELEASE January 14, 2003

Contact: Drew Goesl (202) 224-6436

## Lincoln Urges Frist to Make Prescription Drug Coverage a 'National Priority'

*Washington* – U.S. Senator Blanche Lincoln (D.-Ark.) today called on new Senate Majority Leader Bill Frist (R.-Tenn.) to make prescription drug coverage under Medicare a top priority for the 108<sup>th</sup> Congress.

In a letter to Frist, Lincoln detailed the need for prescription drug coverage under Medicare, the federal health insurance program that provides health care for seniors. She requested that Frist use his position as leader of the Senate Majority to reinforce his pledge of support for a prescription drug benefit by making it a reality this year.

Lincoln is a member of the Senate Finance Committee, which has jurisdiction over Medicare and other federal health care programs.

A copy of Lincoln's letter is attached.

BLANCHE LAMBERT LINCOLN ARKANSAS

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### United States Senate

WASHINGTON, DC 20510

January 13, 2003

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
SELECT COMMITTEE ON ETHICS
SPECIAL COMMITTEE ON AGING

The Honorable Bill Frist Senate Majority Leader United States Senate Washington, D.C. 20510

Dear Majority Leader Frist:

Yesterday on NBC's "Meet the Press," you stated that you were unsure of when the Senate would take up legislation to create prescription drug coverage under Medicare. Furthermore, you suggested that prescription drugs are not a "number one priority" at this time. As you are now in a position to direct the Senate's agenda in this Congress, I hope that you will reconsider these stances. Millions of senior citizens across the country are counting on Congress not only to debate a Medicare prescription drug benefit this year but also work diligently to design a bipartisan plan that can pass the Senate and be signed into law.

Thousands of Medicare beneficiaries in Arkansas struggle every day to pay for the prescription drugs they need. In Arkansas, we lack the tools that other states might have to help seniors afford their medications. Medicare plus Choice has left our state, Medigap plans cost 20 percent more than the national average, and employer-sponsored retiree health plans are rare. While some seniors are eligible for Medicaid, the fact is that many seniors in my state cannot afford the ever-increasing costs of their prescriptions. They need comprehensive prescription drug coverage through Medicare.

I am aware that prescription drug coverage for the elderly was a major tenet last year in your party's successful campaign to regain control of the Senate. As a member of the Senate Finance Committee, I am committed to working with you and our fellow colleagues on Medicare prescription drug coverage this year. We must begin by making this issue a national priority. As the saying goes, "a journey of a thousand miles must begin with a single step." Members of Congress have been promising this benefit to seniors for almost a decade. To let them down again would be a national tragedy. I don't accept cost as an obstacle because I know that access to prescription drugs means healthier seniors, which converts to Medicare savings from fewer hospital stays and illnesses.

The setbacks from years before should not sway us from trying again. I hope you will reconsider your comments and act in your capacity as Majority Leader to make Medicare prescription drug coverage your number one priority.

Thank you for your time. I look forward to working with you.

Sincerely,

Blanche I. Lincoln

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BLL/em

cc: Senator Tom Daschle